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Echols: Get feds out of nuclear waste business

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The nuclear plant crisis in Japan threatens to chill any nuclear renaissance in the United States. One reason is that it appears the Japanese have procrastinated with regard to the disposal of nuclear waste, just as we have in this country.

I believe it's time to demand that our government turn nuclear waste management over to the private sector. As Heritage Foundation nuclear expert Jack Spencer recently testified, America's disposal strategy has failed.

Established in 1982, the Nuclear Waste Policy Act set Jan. 31, 1998, as the deadline for the federal government to begin collection of spent nuclear fuel. To date, nothing has been done.

Even as the 1979 accident at Pennsylvania's Three Mile Island nuclear power plant, and ensuing regulations, brought nuclear plant construction to a standstill, the lack of an effective waste-handling policy still is problematic. Spencer suggests the federal government's inability to fulfill its legal obligations remains the major obstacle in moving nuclear energy forward. The waste is the Achilles heel of an otherwise great carbon-free form of power.

This country has more than 60,000 tons of high-level nuclear waste stored at more than 100 sites in 39 states. The country's 104 commercial reactors produce approximately 2,000 additional tons of used fuel annually. While I wish the government would take the waste to the partially completed Yucca Mountain repository in Nevada as promised, we'd need nine such repositories by the turn of century to house all the waste we're producing, according to Phillip J. Finck of the Argonne National Laboratory.

Spencer's testimony to President Obama's Blue Ribbon Commission on America's Nuclear Future is instructive. He argued that our current approach to managing used nuclear fuel is broken. The government promised to take title to the used fuel and dispose of it. It did not. With its pledge to take the fuel, the government removed any incentive for power-generating companies to develop better ways to manage it. So, it sits - at our expense - as a liability.

I believe the federal government has had its turn. Let's allow utilities, nuclear technology companies and consumers to manage used nuclear fuel.

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Spencer's plan would include some federal oversight, with the Nuclear Regulatory Commission and the Environmental Protection Agency playing a role. But his plan also injects market forces into the process and empowers the private sector to manage the waste.

Under Spencer's plan, nuclear-fuel recycling would become profitable. Our 60,000 tons of used fuel contains roughly enough energy to power every household in American for 12 years. Valuing used fuel against the cost of permanent burial is best done by companies providing fuel management services, says Spencer.

Once market-based pricing is in place, Congress should repeal the penny per kilowatt-hour flat fee that ratepayers have been assessed. The total paid in so far, just in Georgia, exceeds \$1.2 billion.

In a market-based system, nuclear power operators would pay a fee for service which would be folded into operating costs and reflected in the price of power. As it stands now, Georgia ratepayers are paying twice - once to the nuclear waste fund for permanent storage that has never happened, and again to the co-owners of our Georgia plants for temporary storage.

All the money paid by Georgia ratepayers, and those in other nuclear-power-producing states, should appear as a credit in a newly created waste disposal fund once the current fee is repealed. Companies operating nuclear power plants could use the money to finance the geologic disposal of fuel held on-site or even to recycle the fuel, if the economics worked.

Privatizing waste management would put the entire process in private hands: enrichment of the fuel, transportation of uranium to the site, fabrication of the plant, operation of the reactors and, finally, management of the waste.

Once that happens, operators will have incentives to deal with the waste in a cost-effective way instead of simply paying the government a fee, which has been wasted thus far.

The events in Japan are tragic. Hopefully, the situation there will energize Congress to take nuclear waste management out of the hands of government bureaucrats.

• *Tim Echols of Winterville is a member of the Georgia Public Service Commission.*